



Weekly Economic Highlights

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Week Ending
9th April 2021

1. INTEREST RATES

Deposit Rates

During the week ending 9th April 2021, minimum deposit rates for savings deposits remained unchanged, while minimum deposit rates for deposits of 1-month tenor declined. Minimum deposits rates for deposits of 3- month tenor registered an increase, during the same week. While maximum savings deposit rates remained at previous week levels, maximum deposit rates for deposits of 1- month and 3- month tenors increased, as shown in Table 1.

Table 1: Average Deposit Rates (per annum)

Date	Savings deposits (%)		1- Month deposit rates (%)		3- Month deposit rates (%)	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
12-Mar-21	1.57	4.04	5.14	10.66	6.95	11.65
19-Mar-21	1.57	4.04	5.15	10.66	6.95	11.65
26-Mar-21	1.57	4.04	5.19	10.83	6.79	11.80
2-Apr-21	1.57	4.04	5.19	10.83	6.79	11.80
9-Apr-21	1.57	4.04	5.03	11.19	6.84	11.87

Source: Reserve Bank of Zimbabwe, 2021

Lending Rates

Minimum commercial bank lending rates for individuals and corporate clients registered a decline, during the week under review. Maximum lending rates for individual clients declined, while those for corporate clients increased, as shown in Table 2.

Table 2: Lending Rates (per annum)

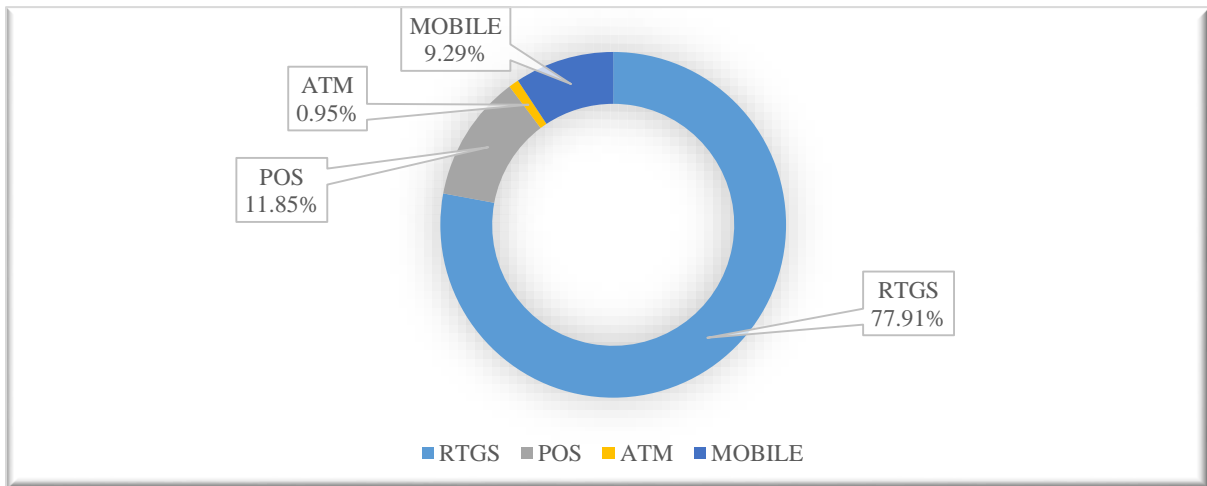
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
12-Mar-21	34.54	55.70	22.38	59.26
19-Mar-21	34.54	55.70	22.38	59.26
26-Mar-21	35.83	55.77	22.61	59.03
2-April-21	35.83	55.77	22.61	59.03
9-Apr-21	35.34	57.28	22.32	59.39

Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

The National Payment System (NPS) processed transactions worth ZW\$72.25 billion, during the week ending 9th April 2021, representing a decline of 11.93% from ZW\$84.34 billion recorded in the previous week. Real Time Gross Settlement (RTGS) transactions were 13.61% lower to close at ZW\$57.84 billion, during the week under analysis. In value terms, NPS transactions were constituted as follows: RTGS, 77.91%; POS, 11.85%; Mobile, 9.29% and ATM, 0.95%.

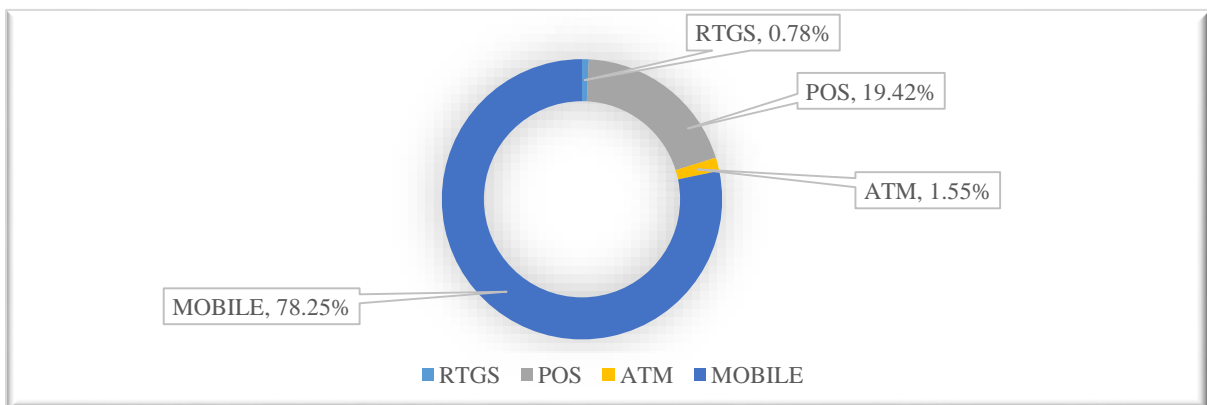
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2021

NPS transaction volumes at 24.99 million during the week ending 9th April 2021, were 1.92% higher than in the previous week. The distribution of NPS transaction volumes was as follows: Mobile, 78.25%; POS, 19.42%; ATM, 1.55% and RTGS, 0.78%.

Figure 2: Composition of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe, 2021

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 2 nd APRIL 2021	WEEK ENDING 9 th APRIL 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	66,956.26	57,844.46	-13.61%	77.91%
POS	9,555.19	8,801.44	-7.89%	11.85%
ATM	1,147.84	704.96	-38.58%	0.95%
MOBILE	6,645.11	6,898.10	3.81%	9.29%
TOTAL	84,304.40	74,248.97	-11.93%	100%
Volumes				
RTGS	229,403	195,836	-14.63%	0.78%
POS	4,994,746	4,853,700	-2.82%	19.42%
ATM	401,699	387,567	-3.52%	1.55%
MOBILE	18,896,977	19,555,604	3.49%	78.25%
TOTAL	24,522,825	24,992,707	1.92%	100%

Source: Reserve Bank of Zimbabwe, 2021

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices for gold, platinum, copper and nickel firmed during the week ending 9th April 2021. Crude oil prices, however, declined, as shown in Table 4.

Table 4: Metal and Crude Oil Prices for the week-ending 9th April 2021

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (29 Mar – 1 Apr)	1,703.61	1,181.50	8,837.38	16,171.25	64.56
6-Apr	1,737.85	1,213.50	8,984.50	16,520.00	62.92
7-Apr	1,737.03	1,239.50	8,981.50	16,681.00	62.87
8-Apr	1,755.50	1,226.00	9,001.50	16,778.00	63.15
9-Apr	1,744.20	1,208.00	8,993.00	16,629.00	63.05
Weekly Average (6 – 9 April)	1,743.64	1,221.75	8,990.13	16,652.00	63.00
Weekly Change (%)	2.3	3.4	1.7	3.0	-2.4

Source: BBC, KITCO and Bloomberg, 2021

Gold

Gold prices rebounded as the US dollar and Treasury yields retreated, on account of the Federal Reserve's reiteration of its dovish policy stance. This development lifted the bullion's investment appeal. As a result, the precious metal's weekly average price firmed by 2.3%, from

a weekly average of US\$1,703.61 per ounce in the previous week to US\$1,743.64 per ounce, during the week under analysis.

Platinum

Platinum prices continued on a positive trajectory, drawing support from prospects of strong industrial demand for the precious metal, particularly in the automobile sector. The metal is widely used in automobile catalytic converters, while the tightening of emission regulations bolsters the metal's industrial demand. Resultantly, weekly average prices further rose by 3.4%, from US\$1,181.50 per ounce in the previous week to US\$1,221.75 per ounce, during the week ending 9th April 2021.

Copper

The weekly average price of copper rose during the week, underpinned by a weaker US dollar and expectations of strong demand from the US, after the unveiling of a massive stimulus package for infrastructure development. The increase in the price of the red metal was, however, moderated by a persistent rise in inventories, coupled with weaker demand prospects from China, the world's top consumer of the base metal. Against this backdrop, copper prices increased by 1.7%, to close the week at an average of US\$8,990.13 per tonne.

Nickel

Nickel price rose by 3.0%, from a weekly average of US\$16,171.25 per ounce in the previous week to US\$16,652.00 per tonne, during the week ending 9th April 2021. Similar to copper, nickel prices also increased on account of a weaker US dollar and prospects of strong demand from the US, following the unveiling of a massive stimulus package for infrastructure development in the world's largest economy.

Brent Crude Oil

Crude oil prices declined during the week under analysis, occasioned by rising supplies from major producers. This followed a decision by the Organisation of Petroleum Exporting Countries (OPEC) to implement a phased withdrawal of production cuts which would result in a rise in global crude oil production. Accordingly, prices fell by 2.4%, from a weekly average of US\$64.56 per barrel in the previous week to US\$63.00 per barrel, during the week under review.

4. EXCHANGE RATE DEVELOPMENTS

During the week ending 9th April 2021, the local currency eased by a marginal 0.2% against the US dollar, from an average of ZW\$84.2599 per US\$1 in the previous week to an average of ZW\$84.3978 per US\$1, as shown in Table 5.

Table 5: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2021					
Weekly Average (29 Mar - 1 Apr)	84.2599	5.6468	115.909	7.6111	98.9398
6-Apr	84.4001	5.7921	117.4217	7.6600	99.6639
7-Apr	84.3970	5.8173	116.7170	7.7187	100.1711
8-Apr	84.3970	5.8089	116.1430	7.7057	100.2217
9-Apr	84.3970	5.7954	115.7885	7.7270	100.4031
Weekly Average (6 - 9 April)	84.3978	5.8034	116.5176	7.7028	100.1149
<i>Appr(-)/Depr(+) (%) of the ZWL</i>	<i>0.2</i>	<i>2.8</i>	<i>0.5</i>	<i>1.2</i>	<i>1.2</i>

Source: Reserve Bank of Zimbabwe, 2021

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) exhibited bearish sentiments, resulting in all industrial indices registering losses, during the week ending 9th April 2021. As such, the All Share, Top 10 and Top 15 indices shed 4.87%, 5.03%, and 6.28% to close at 4 270.34 points, 2 479.11 points and 2 790.88 points, respectively.

The decline in the market indices was a result of share price losses for Simbisa Brands Limited (27.67%), First Mutual Holdings Limited (25.35%), Dairibord Holdings Limited (18.01%), Padenga Holdings Limited (17.43%), and Edgars Stores Limited (12.80%). Partially offsetting the aforementioned losses were gains in the share prices of Starafrika Corporation Limited (18.13%), NMBZ Holdings Limited (14.36%), General Beltings Holdings Limited (12.69%), CBZ Holdings Limited (6.74%) and Zimbabwe Newspapers (5.88%).

The mining index, however, recovered from the loss in the previous week, gaining by 5.08% to close at 5 587.95 points, during the week under analysis. The increase in the mining index

¹ Direct quote – the amount of domestic currency needed to exchange for 1 unit of foreign currency

emanated from gains of 5.99% and 2.94% in share prices for Bindura Nickel Corporation Limited and RioZim Limited share prices, respectively.

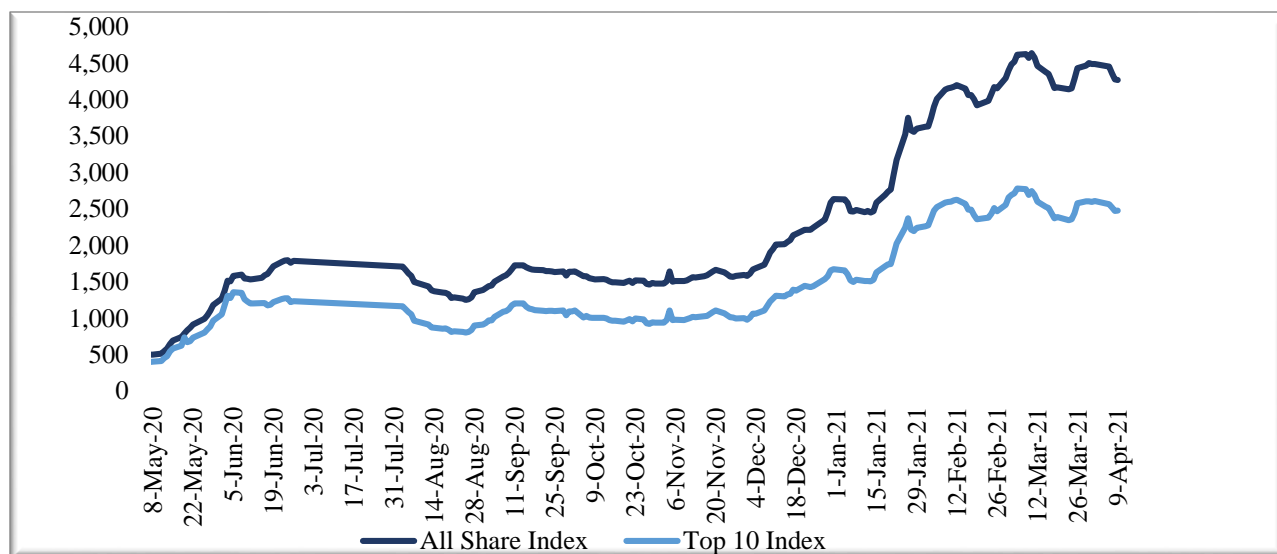
Table 6: Zimbabwe Stock Exchange Statistics²

	All Share Index Points	Top 10 index (points)	Top 15 Index ³ points	Medium Cap ³ (points)	Small Cap ³ (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
5-March-21	4 615.87	2 781.34	3 181.89	10 442.02	34 496.32	6 756.94	557.13	471.56	37.48
12-March-21	4 461.41	2 600.17	2 995.51	10 576.56	42 963.35	5 798.04	538.68	2 993.15	81.93
19-March-21	4 168.14	2 391.23	2 762.25	10 082.42	44 875.78	5 984.98	502.30	331.53	35.33
26-March-21	4 432.50	2 580.33	2 949.65	10 487.48	47 327.53	5 532.09	521.69	463.29	27.89
1-April-21	4 488.78	2 610.46	2 977.97	10 640.47	47 749.22	5 317.90	530.80	322.54	30.59
9-April-21	4 270.34	2 479.11	2 790.88	10 117.07	47 343.47	5 587.95	498.88	581.52	56.84
% Change	-4.87	-5.03	-6.28	-4.92	-0.85	5.08	-6.01	80.29	85.81

Source: Zimbabwe Stock Exchange (ZSE), 2021

Figure 1 shows developments on the ZSE's All Share, Top 10 and mining indices from the 8th May 2020 to the 9th April 2021.

Figure 3: Zimbabwe Stock Exchange All Share and Top 10 Indices



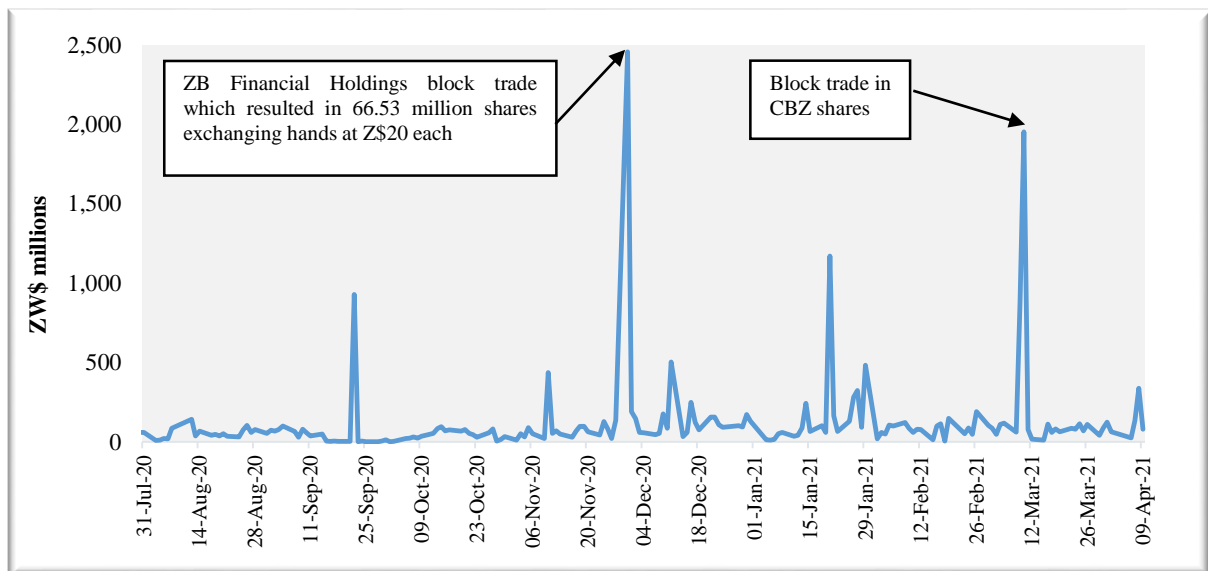
Source: Zimbabwe Stock Exchange, 2021

² The Zimbabwe Stock Exchange (ZSE) adopted the Global Industry Classification Standards, effective from 1 January 2020. The ZSE indices constitute the following categories; Top 10 Index; Top 15; Top 25; Medium cap and Small cap Indices.

Market Turnover and Volume

During the week under review, the cumulative volume and value of shares traded increased by 85.83% and 80.30% to 56.84 million shares and ZW\$581.52 million, respectively. Figure 2 shows the trend in daily market turnover for the period from 31st May 2020 to 9th April 2021.

Figure 4: Daily Market Turnover

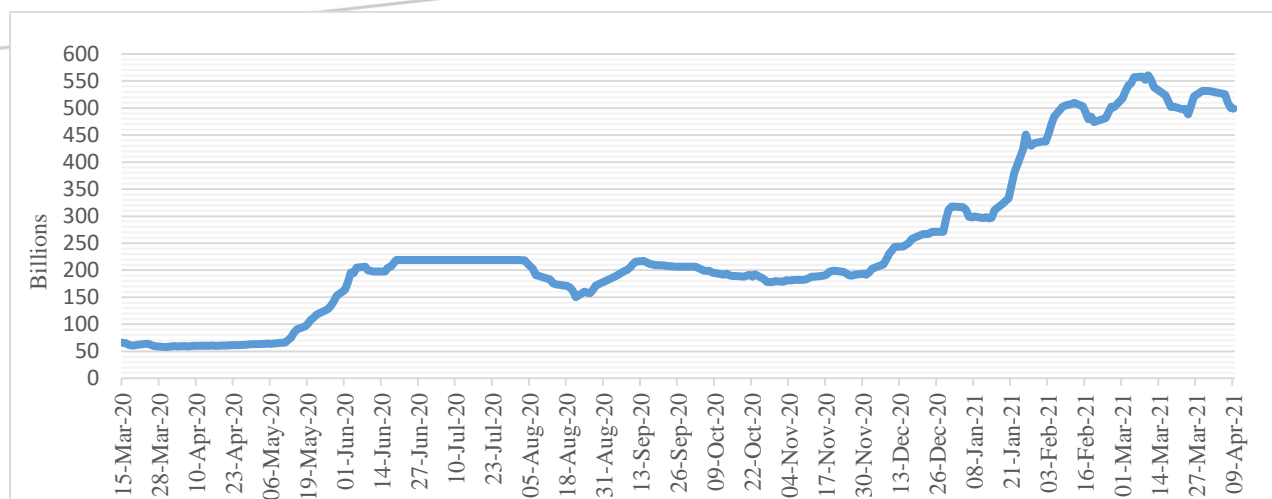


Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

The ZSE lost ZW\$31.92 billion, or 6.01% worth of market capitalisation to close at ZW\$498.88 billion, during the week under analysis, compared to ZW\$530.80 billion recorded in the preceding week. Figure 3 shows market capitalization developments for the period from 15th May 2020 to 9th April 2021.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

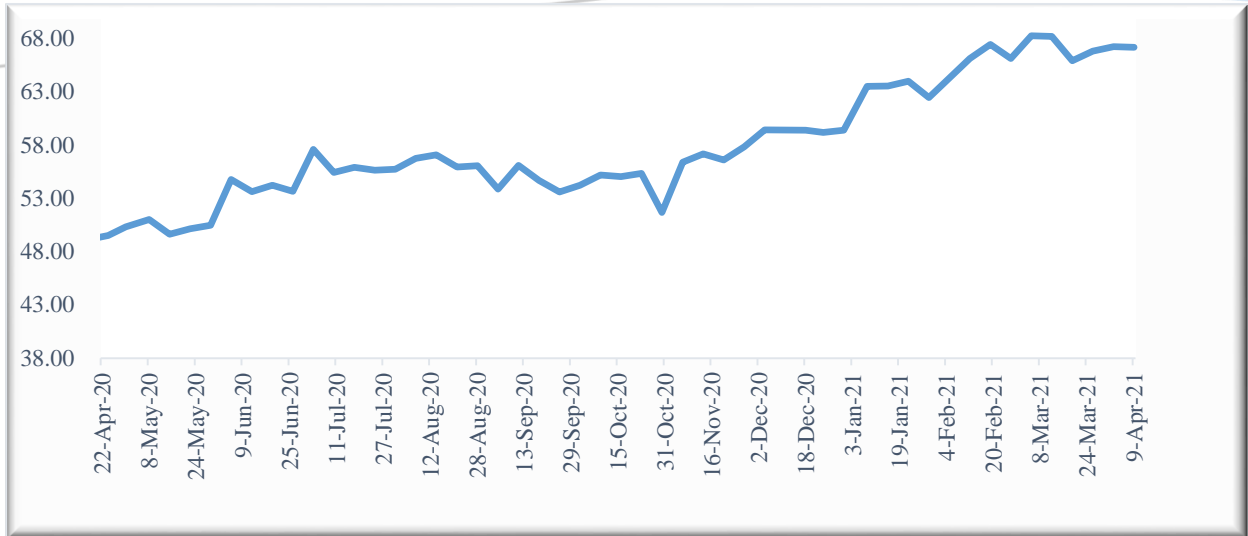
The Johannesburg Stock Exchange (JSE) All share index declined by 0.07%, to close at 67,191.27 points during the week under review, from 67,236.31 points recorded in the previous week. JSE market capitalization was 0.36% lower to close at ZAR19.34 trillion, during the week ending 9th April 2021, from ZAR19.41 trillion recorded in the preceding week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
5-March-21	68,271.19	19.53
12-March-21	68,209.86	19.47
19-March-21	65,911.27	19.09
26-March-21	66,833.99	19.35
2-April-21	67,236.31	19.41
9-April-21	67,191.27	19.34
% Change	-0.07	-0.36

Source: <https://www.jse.co.za/services/market-data/market-statistics>

Figure 6: Johannesburg Stock Exchange (JSE) All Share Index



Source: <https://www.jse.co.za/services/market-data/market-statistics,2021>

RESERVE BANK OF ZIMBABWE

APPENDIX 1: FOREIGN EXCHANGE AUCTION RESULTS FOR MAINFX³ AND SMEFX⁴

	MAINFX				SMEFX			
	16-Mar-21	23-Mar-21	30-Mar-21	9-Apr-21	16-Mar-21	23-Mar-21	30-Mar-21	9-Apr-21
Total Bids (US\$ dollars)	32,064,981.88	32,481,729.79	32,185,461.06	23,191,023.66	3,233,262.22	3,076,458.88	3,583,457.16	2,059,745.29
Amount Allotted (US\$ dollars)	32,064,981.88	32,481,729.79	32,185,461.06	23,191,023.66	3,233,262.22	3,076,458.88	3,583,457.16	2,059,745.29
Highest Rate	87	87	87.5	87	87	87	87.5	87.5
Lowest Rate	82	82	82	82	82	82	82	82
Lowest Accepted Rate	82	82	82	82	82	82	82	82
Weighted Average Rate	83.9830	84.1197	84.4001	84.3970	83.9830	84.1197	84.4001	84.3970
Number of Bids Received	351	333	344	226	288	298	300	171
Number of Bids Rejected	59	49	68	36	59	75	47	27

Source: Reserve Bank of Zimbabwe, 2021

³ Main Foreign Currency Auction

⁴ Small and Medium Enterprises Foreign Currency Auction

APPENDIX 2: SUMMARY OF FOREIGN CURRENCY AUCTION ALLOTMENTS BY PURPOSE

Purpose	MAINFX				SMEFX			
	16-Mar-21	23-Mar-21	30-Mar-21	9-Apr-21	16-Mar-21	23-Mar-21	30-Mar-21	9-Apr-21
Raw Materials	13,999,784.64	12,858,202.23	15,506,292.00	11,049,489.74	933,399.68	647,271.01	863,671.91	532,813.59
Machinery and Equipment	5,294,452.73	7,552,382.07	5,554,725.50	4,671,962.75	546,537.60	753,623.16	727,234.26	387,153.98
Consumables (Incl. Spares, Tyres, Packaging)	2,810,988.48	2,800,516.37	2,530,389.92	1,681,657.81	608,270.01	596,217.67	765,857.48	507,803.04
Pharmaceuticals and Chemicals	2,177,432.40	2,458,057.02	2,034,427.64	1,082,138.71	201,157.69	248,116.41	381,707.66	133,365.58
Services (Loans, Dividends and Disinvestments)	2,046,664.56	1,778,752.93	2,096,811.56	1,752,384.92	277,336.10	223,842.94	342,653.71	162,158.26
Retail and Distribution	2,485,750.31	1,991,575.08	1,867,442.03	1,423,411.02	294,729.60	256,744.48	282,478.40	156,723.84
Fuel, Electricity and Gas	2,687,940.58	2,698,269.73	2,139,094.89	1,258,426.38	278,180.34	274,677.93	134,905.24	119,937.00
Paper and Packaging	561,968.18	343,974.36	456,277.52	271,552.33	93,651.20	75,965.28	84,948.50	59,790.00
TOTAL	32,064,981.88	32,481,729.79	32,185,461.06	23,191,023.66	3,233,262.22	3,076,458.88	3,583,457.16	2,059,745.29

Source: Reserve Bank of Zimbabwe, 2021